

(517) 487-5966  
FAX (517) 487-5213



# Michigan State AFL-CIO

419 Washington Square South, Suite 200 • Lansing, Michigan 48933-2138

MARK T. GAFFNEY, *President*

TINA ABBOTT, *Secretary-Treasurer*

May 22, 2007

Dear Member of the Michigan Senate:

The Michigan State AFL-CIO strongly supports The Public Employees' Health Benefit Act, Senate Bills 418-421, and urges you to vote "Yes" on this very important proposal to improve the delivery of public employee health care.

These bills have several key elements that will save public employers money on health care:

- 1 Competitive Health Care Purchasing through Coalitions/Regional Pools
- 2 Transparent Health Care Cost Information for Public Employers and Employees
- 3 Disclosure of Hospital and Physician Performance on Measures of Quality
- 4 Efficient Administrative Services that Leverage Industry Standards and Information Technology within a Competitive Environment

This proposal is completely voluntary for the public employers. It does not try to force a "one size fits all" solution. The decision to join a regional purchasing pool will rest with the locally elected officials and their employees.

Most importantly from our perspective, this common sense proposal will help address escalating health care costs, while protecting collective bargaining rights.

In addition, public employees will finally be provided with cost and performance data for health care providers so that they can become smart health care consumers. These measures will improve the quality of the health care that public employees receive.

These bills are a win-win-win proposal for public employers, public employees and the taxpayers of Michigan. Health care costs will be reduced and quality will be improved.

For these reasons we urge you to vote "Yes" on Senate Bills 418-421.

Thank you.

Sincerely,

Ken Fletcher  
Legislative Director